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REPORT NO.

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SUPPLEMENT TO
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1. The strategic triangle formed by Go Dau Ha (106-15, 11-04), Tay Ninh Province, Go Bac Chien (105-55, 10-47), Tan An Province and Thap Muoi (105-47, 10-35) has been fortified by Cao Dai forces continuously since 1949. Generating sets, radio transmitting posts, arms factories, underground arms caches and shelter-trenches of reinforced concrete have been installed at great expense. The Cao Dai area is now being enlarged north into Thu Dau Mot Province, parallel to the Cambodian frontier. They now control such strategic points as Ben Cui and Ben Suc, near the Michelin plantations of Dau Tieng, Thu Dau Mot Province.
2. Equally noteworthy has been the rapid formation of cadres and the organization of an extremely effective intelligence service. This service, called the Hac Y (Black Shirts) and modelled on the Japanese Black Dragon organization, was formed by Colonel Trinh Minh The and his deputy Muoi Bach, aka Vo Ba.

3. Cao Dai members in Saigon have confirmed the existence of an alliance with forces of the Democratic Republic of Vietnam (DRV). This alliance is not, however, as has been rumored, a large-scale plan of cooperative action. It merely provides assurances of reciprocal neutrality for troops billeted in neighboring areas and for freedom of movement between Cao Dai and DRV-controlled zones. It also contains an economic clause defining the areas to be cultivated by each group.

4. Colonel The's decision to desert the Cao Dai army must not be construed as a purely internal schism in the Cao Dai ranks. Rather, his action was dictated by the militarist wing of the Phuc Quoc Hoi, which prompted The's communique to certain foreign news agencies outlining the conditions on which he would return. These included Cao Dai participation in an independent government, and the adequate provision of arms and supplies to Cao Dai forces.

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CENTRAL INTELLIGENCE AGENCY

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5. Prior to his departure, The made a clandestine trip to Thailand to contact Vietnamese nationalist leaders there. He has also concluded an alliance with Hoa Hao General Tran Van Soai, which guarantees Hoa Hao assistance in the event of a French attack on The's forces. The is also supported by Lam Thanh Nguyen, commander of a section of Hoa Hao forces.
6. The hopes to obtain additional arms for his troops from two arms caches left by the Japanese near Tay Ninh, whose location he has discovered.
7. The's defection is not an isolated incident and similar defections may be expected among the Hoa Hao forces. Among the Cao Dai, there are now approximately 14,000 dissident inactive troops of the Popular Militia and Suppletifs. They are prevented from joining The only by lack of arms.

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